

Mr. John M. Alden, Supervisor, U. S. Geological Survey, Talsa, Oklahoma.

Re: Application to drill on permit Las Cruces 028751, Barnsdall 011 Co., Operator, Bidy County, New Mexico.

Dear Mr. Alden:

Permit L as Gruces 028731, was issued to Mary R. Dodd, offective January 29, 1926. It contains 2400 screes, described as follows:

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The permit was extended to Marsh 15, 1953 by G. L. O. letter dated Marsh 21, 1931, as follows:

"We recommend that the parmit be extended until March 15, 1933, on condition that no drilling be done during that period unless scener authorized or required by the Secretary of the Interior and on the further condition that permittee or operator shall drill offset well or wells within 30 days after completion of producing well or wells on adjoining lands or pay compensatory royalty, the Supervisor of oil and gas operations to determine drilling of necessary offset wells or amount of compensatory royalty."

Roswell office letter dated February 23, 1951, reports on drainage likely to occur from that part of the subject permit located in section 22, T. 17 S., R. 29 E. because of five producing gas wells located in sections 20 and 21, T. 17 S., R. 29 E. on state land. Since this report was submitted three additional gas wells have been drilled on state land as follows:

Leonard & Levers, State well #6, located 1320 feet from the N line and 1320 feet from the W line of section 28-175-29K. Drilling ceased February 4, 1952 at a total depth of 2343 feet with initial production of 1,500 M subic feet of gas per day.

Leonard & Levers, State well #7, located 660 feet from the S line and 1980 feet from the E line of section 20-173-29E. Drilling ecased July 25, 1952 at a total depth of 2269 feet with initial production of 175,000 cubic feet of gas per day.